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## DEPARTMENT OF STATI

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QUESTIONS AND ANSWERS
FOLLOWING THE STATEMENT
BY
THE HONORABLE CYRUS R. VANCE
SECRETARY OF STATE
BEFORE THE
CHICAGO COUNCIL ON FOREIGN RELATIONS
Chicago, Illinois

MR. RIELLY (President): Thank you very much, Mr. Secretary.

March 3, 1980

As you know, it is our custom to take questions, and question cards have been distributed to members of the audience and will now be collected. My colleague, Arthur Cyr, Program Director for the Chicago Council on Foreign Relations, and I will put these questions to you.

We would like to begin with the following question:

You referred to your discussions with French
President Giscard d'Estaing and German Chancellor
Helmut Schmidt, who later, after the invasion of
Afghanistan, issued a strong statement bolstering Alliance
unity. Nevertheless, many analysts have commented on the
frictions within the Alliance in recent months, and the
question is, how unified are our European allies behind
you on policy in the Middle East and Southwest Asia?

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SECRETARY VANCE: First, let me say that what we are talking about is a set of common objectives, a set of common goals.

The principal purpose of my trip was to discuss with the leaders of the four nations which I visited both our assessment of the threat we faced and the short-term and the long-term goals as we saw them. In addition to that, we then discussed the question of what actions should be taken to achieve those objectives.

Insofar as the assessment of the threat was concerned and both the short-term and long-term goals, I found that there was a great degree of similarity -- that we were, indeed, on the same track.

When it came to the question of specific actions, there were differences of views on some of the items.

I think that is to be understood — it is understandable to me. We will be continuing our consultations as we work together to implement these common goals and objectives, and we will be seeking to find both common actions and parallel actions which will lead to the achievement of the common goals.

I believe, contrary to much of what one hears from time to time, that there is unity among us.

MR. RIELLY: Mr. Cyr?

MR. CYR: Mr. Secretary, a number of the questions, predictably, deal with different aspects of the situation in Iran and Afghanistan. A number complain about why our allies allegedly haven't provided us with more support; a number ask about the Olympics: Will we, in fact, go through with the boycott? How comparable is the current situation to the Olympics in Nazi Germany in 1936? Are we hurting our athletes and ourselves more than we're hurting the Soviets?

SECRETARY VANCE: Well, let me start with the latter and then you will have to remind me of what each of the others is. (Laughter)

Insofar as the Olympics are concerned, we have taken our decision on the Olympics and we have said that we would not participate in Olympics which were being held in the capital of a nation which is invading another nation. That decision has been taken; that is our decision. That is the decision that we will follow.

MR. RIELLY: Mr. Secretary, among the critics of the Administration's strong response to the Afghan invasion have been Ronald Reagan and George Kennan. Kennan noted that from a geo-political point of view, there is merit to

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the view which allegedly has been stated by Mr. Reagan, that it would make more sense to take a strong action against Cuba, ninety miles from our shores, than to seek to influence Soviet behavior 5,000 miles away, in a country located on the Soviet border.

## What is your response?

SECRETARY VANCE: My response is that the suggestion by Mr. Kennan is very difficult for me to understand. To suggest that we should blockade Cuba at this point, with all the dangers that that would carry with it -- and we have memories of that back in 1962 -- does not, in my judgment, make sense at this time.

I think it is very clear that there is a danger to our vital national interests and to those of our allies posed by the action which has been taken in Afghanistan by the Soviets in sending tens of thousands of troops into that country, in not only violating all the precepts of the U.N. Charter, international law, but also the human rights of the people of that country, and at the same time, posing a threat to the surrounding countries; and as I indicated earlier, a potential threat also to the vital interests

which we all have in the flow of oil from that important region.

Therefore, it seems to me, that is where we should concentrate our attention; and that view is shared by our allies.

MR. CYR: Mr. Secretary, a number of questions from the addience follow up on your point about the need for a strong defense. People are concerned, specifically, about the problems with the volunteer military. Will the proposals for draft registration of young men in authority to register young women lead to conscription? And do you have views on what should be the limits on women in terms of service in combat units?

SECRETARY VANCE: On the question of conscription of draft, I have very strong personal views. I've held them for a long while. They often don't agree with other people's views.

I think it was a mistake to do away with the draft and go to a volunteer army. (Applause) (Also boos)

I believe not only should there be a draft, but I believe there should be universal service and that everyone should have to serve their government. (Loud applause)

I do not believe that that service necessarily has to be military service, but they should give at least one year to some kind of service to their country. (Applause)

MR. RIELLY: Mr. Secretary, there is a question referring to the Chicago Council on Foreign Relations survey a year ago when the majority of the respondents expressed great concern about the declining position of the United States in the world. When asked for the principal reason for this decline, the greatest number of respondents attributed the decline to the diminishing value of the U.S. Dollar, not to growing Soviet military power.

The question is, what has the Carter Administration done, or is it doing, to arrest the decline of the dollar?

SECRETARY VANCE: One of the main things which the Administration must do in connection with the problem of the dollar is to take the necessary steps on the energy front, which I talked about. That is a key element of the actions which we must take there because that has a very major impact on what happens to the value of the dollar.

In addition to that, obviously, we must take steps here at home to curbinflation, and that, I think, is,

obviously, the key domestic item at this point, and the one to which this Administration and the Congress must address their attention now and in the months ahead.

MR. CYR: If I might follow up, there are a number of questions about different aspects of energy problems and our international relationships dealing therewith. What are the chances that the International Energy Agency may be made, in the reasonably near future, into an effective consumers' cartel or consumers tralliance to oppose OPEC?

International Energy Agency will continue to operate generally as it is at the present time, and that is that it will serve as a body which can be called into action at such time as prices rise above the trigger point, when it will then become necessary for them -- namely the 20 nations that participate in the IEA -- to share the burden which is being thrust upon them. I believe it will adhere to that form rather than taking a different form.

MR. RIELLY: Mr. Secretary, there are a number of questions about the grain boycott, this being an agriculture-producing area here in the Middle West. This question

states that many are concerned about the effects of the grain embargo on food producers and processors.

The London Economist has argued that U.S. farmers or taxpayers are more likely to be hurt, possibly, than the Soviet Union.

What are the economic consequences in the United States, and how much are we hurting the Soviet Government through this embargo?

SECRETARY VANCE: On the latter question, I think that the grain embargo on 17 million tons that will not be shipped by the United States is having an effect and will have an effect on the Soviet Union. I believe it will also have an effect on some of the countries who are dependent upon the Soviet Union in this area, so that I think that the grain embargo, in its combined action and effect, will be meaningful.

It is an action which requires sacrifice; but as I have said, others are going to have to sacrifice and are sacrificing. This is necessary if we are going to take the steps to demonstrate our firmness and our resolve in light of the situation which faces us, which is indeed a critical situation.

MR. CYR: We have time for two more questions.

It is interesting — a couple of questions deal with Southeast Asia rather than Southwest Asia: The Vietnamese have been creating a good deal of havoc in Cambodia and elsewhere in the region. There is also the poignant question covered in a New York Times Magazine article yesterday on children of American servicemen who were left behind in Vietnam. How likely is it that we will be establishing diplomatic relations with Vietnam in the near future, diplomatic relations of some kind? And how ominous is it that the Vietnamese Army will continue to make significant gains in that region?

SECRETARY VANCE: I think that it is unlikely that we will be establishing relations with Vietnam in the near future. At the outset of the Carter Administration, we indicated that we would be prepared to move in that direction, should there be reciprocity on the other side.

First, we were met with demands from the Vietnamese for 'reparations," as they called them. We said, under no circumstances would that be done, and that was a block which remained in the way of any

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progress until they withdrew that. At about the time they withdrew it, however, they embarked upon the program of pushing out into the sea tens of thousands of refugees, the "boat people." At the same time that they were doing this, they were preparing themselves for the invasion of Cambodia.

We told them at that time that as long as these
two actions on their part continued that we could not make
progress on normalization. There has been some progress
made in the area of the boat people; there has been a
moratorium for a period of time on the boat people being
pushed out of Vietnam. But insofar as Cambodia is concerned,
Vietnamese troops remain in Cambodia and have not been
withdrawn, and therefore, this remains an obstacle.

In the long run, we would like to normalize relationships, but we have to deal with these pressing issues, and these kinds of issues must be removed before we can come to that point.

MR. RIELLY: Mr. Secretary, a final question:
The questioner points out that in the view of some, there
is a greater threat to world stability posed by the

instability that might result in Eastern Europe through the death of President Tito.

Is the Soviet Union likely to exploit any crisis situation that might develop after Titods death and seek to reverse the world balance of power?

SECRETARY VANCE: The leadership in Yugoslavia is able, strong, resolved; and we have confidence that in a post-Tito period, they can lead their nation with strength and wisdom.

Insofar as we are concerned, we fully support their staunch position with respect to the importance of their independence, their sovereignty, and their territorial integrity.

Insofar as our own relations are concerned, our relations with Yugoslavia are good — indeed, I think they are deep and strong. I do not believe that in the post-Tito period that there is danger to Yugoslavia. It is a good, strong leadership, and they will be able to lead their country well and wisely.

(Applause)

MR. RIELLY: Thank you, Mr. Secretary.

Thank you, ladies and gentlemen.

(The session was concluded at 1:10 p.m.)